

MARYLAND HEALTH CARE COMMISSION

UPDATE OF ACTIVITIES

April 2004

DATA SYSTEMS & ANALYSIS

Data Base and Application Development

Medical Care Data Base (MCDB)

Staff provided consultative support to approximately eleven payers on various issues relating to their professional claims data submission in accordance with COMAR 10.25.06. Staff routinely addresses payer questions regarding data content and submission throughout the year. Final recommendations on updates to this year's *Data Submission Manual* were received from the MCDB vendor, Social and Scientific Systems. Staff completed updating the manual and posted it on the MHCC Web site. A hard copy of the *Data Submission Manual* was mailed to the thirty payers contributing to the 2003 MCDB.

The request for proposal (RFP) for selecting a MCDB vendor is currently under review by the Department of Budget and Management's Procurement Officer. Staff anticipates that it will be released to the industry mid-April. Staff plans to conduct vendor interviews in late May and select a vendor by the middle of June.

Internet-Based Physician Re-Licensure Application

Members of staff have completed modifications to the Physician re-licensure application for the Maryland Board of Physicians (MBP). This year, MHCC will add the following features:

Content Changes:

- Modify the malpractice questions to obtain information on awards;
- Add a section to identify physicians that could volunteer for activation in the event of a state emergency; and
- Refine questions that will enable MHCC and MBP to better estimate the local physician supply.

Design Changes:

- Modify the navigation process to allow physicians to complete the renewal application in the sequence they wish, not a defined sequence as is done currently; and
- Implement a database driven edit process to replace the in-line JAVA scripting currently used.

The MBP intends to release this application about July 1st. Physicians have ninety days to complete the application.

Ambulatory Surgical Survey

Approximately seventy-two percent of ambulatory surgical centers (centers) completed their online 2004 survey as of March 31st. Centers have forty-five days from their notification date to complete the survey. The survey collection period is scheduled to conclude on April 30th. Staff provided support by telephone to centers requesting assistance in completing their online survey. Approximately 19.5 percent of the centers requested such assistance. This is an improvement over the amount of assistance requested by centers to complete the survey during the prior year.

Long Term Care Survey

The staff is planning for a July 20th release of the 2003 Long Term Care Survey. This is the third year that MHCC will collect the data via a Web application. This survey is used for nursing home bed need estimates, nursing home utilization studies, and for the MHCC Nursing Home Quality Measurement Guide. The survey is easy to complete and, in conjunction with federal data sources, provides data for studies that the Commission is mandated to conduct.

Institutional Review Board (IRB)

Over the last month, staff received requests for the District of Columbia Hospital Limited Data Set from Cohen, Rutherford, Blum + Knight, PC, Holy Cross Hospital, Johns Hopkins University Bloomberg School of Public Health, Doctors Community Hospital, and Southern Maryland Hospital. All organizations received a copy of the limited data set which consists of information approved for release by the IRB. The requesting organizations are required to sign data use agreements that limit the use of the data set to the specific purpose cited in their applications.

Cost and Quality Analysis

The Commission has released an RFP to seek a vendor to assist MHCC and the Department of Health and Mental Hygiene's Diabetes Prevention and Control Program (DPCP) to assess the quality of health care received by elderly and disabled diabetic Maryland residents during 2002. The counts of diabetics and the quality of care measures will be used to better understand how the prevalence of diabetes and the quality of diabetes care differs by patient demographic characteristics. These measurements will form a baseline that will be used by DPCP in the assessment of its new five-year (2003-2008) work plan. (The baseline information developed from this study of claims data will be supplemented by, and compared to, other data DPCP is collecting and analyzing, including information from the Centers for Disease Control's Diabetes Module in Maryland's 2001 and 2002 Behavioral Risk Factor Surveillance System survey, baseline data constructed by community health centers, hospital discharge data, vital statistics data, and a separately-funded study of the use of renal dialysis by diabetics.) Additionally, information for two of the quality of care measures in this study will be compared to results from an earlier Commission-funded study of the quality of diabetic care conducted using 1997 data¹ to determine what progress was made from 1997 to 2002. MHCC expects to make a contract award early in May.

EDI Programs and Payer Compliance

Maryland Trauma Physician Services Fund

Staff conducted its third statewide trauma billing *Question & Answer Session* at the Hagerstown Robinwood Center. The session was aimed at addressing various questions about the Fund that staff has received over the last couple of months. Staff scheduled three application review sessions in April for trauma physicians and centers as a way to increase the accuracy of the

1 "A Profile of Clinical Preventive Services Provided to Maryland Medicare Beneficiaries with Diabetes (1999)." Available at:

http://www.mhcc.state.md.us/health_care_expenditures/extramural/diabetes/_abstract.htm

uncompensated care and on-call applications submitted to the Fund. Workshops are scheduled to occur in Baltimore City, on the Eastern Shore, and in Western Maryland. During the month, staff received about twenty inquiries relating to the Fund.

Staff reviewed responses to auditing RFPs received from three vendors. After a thorough review of the technical and financial proposals, the evaluation committee (consisting of representatives from MHCC and the Health Services Cost Review Commission, or HSCRC) a contract award was made to Clifton-Gunderson. Staff will develop the audit plan with Clifton-Gunderson staff once the contract begins in mid-April. Auditing of uncompensated care applications and Medicaid claims are targeted to begin in June 2004.

Staff completed its recommendation for expanding the number of data elements it receives from the Maryland Institute for Emergency Medical Services (MIEMMS) Trauma Registry. Staff identified approximately nineteen data elements that would be used by the auditor to complete field audits. Staff currently receives a limited data base containing the trauma registry number, patient name, origin, history number, Emergency Department (ED) arrival data, admit date, ED disposition, and discharge date.

Staff has begun issuing Provider Information Bulletins (PIB) that clarify information regarding trauma reimbursement through the Fund. The staff requested comments from TraumaNet prior to issuing those releases. During the month, staff issued five PIBs relating to physician reimbursement under Medicaid, physician's established collection policy, calculating payments available to a trauma center for on-call costs, patient hospital readmissions, and the MHCC payment process for uncompensated care and on-call applications. These PIBs are available at the MHCC website.

Staff finalized its internal operating procedures for processing uncompensated care and on-call applications. A procedure guide was developed that will enable staff to complete its review and processing of applications within about thirty days from receipt. Trauma physicians and trauma centers will receive a letter from MHCC indicating the amount approved for payment. The Office of the Comptroller will issue payment directly to providers within about four weeks from the MHCC request. Staff estimates that it will take approximately sixty days from application submission for trauma physicians and trauma centers to receive payment from the Fund.

Approximately \$6.7 million is available for distribution from the Fund as of the end of March. The Maryland Department of Motor Vehicles is on target for collecting about \$ 8.5 million for distribution by the end of this fiscal year (June 30, 2004).

HIPAA Awareness

MHCC's HIPAA education and awareness initiatives continued throughout March. Over the last month, staff received approximately fifteen telephone inquiries from payers and providers requesting consultative support on the regulations. MHCC is viewed by practitioners and health care facilities as a reliable source for obtaining HIPAA information. Last month, staff provided support to the following groups:

- Maryland Pharmacists Association – staff worked with the executive director to finalize MHCC's involvement at its summer conference;
- DHMH Family & Children Services – staff conducted a presentation on the privacy regulations to approximately forty social workers;
- Montgomery County Medical Society – staff wrote an article for its provider newsletter on the privacy and security regulations;

- Maryland Chiropractic Association – staff reviewed the national provider identifier information at its winter conference;
- Fallston Memorial Hospital – staff presented information on the transactions standards to about thirty-five practice administrators associated with the hospital;
- Maryland Ambulatory Surgery Association – staff provided support on privacy to approximately ten centers;
- Southern Maryland Practice Administrators – staff presented on the security standards and the national provider identifier to approximately seventy-five practice administrators;
- EPIC Pharmacies – staff wrote a newsletter on the security standards and the national provider identifier for distribution to approximately 400 EPIC store owners;
- Frederick Memorial Hospital – staff developed an education and awareness session on the security standards for practice administrators associated with the hospital;
- Upper Chesapeake Medical Center – staff presented on transaction standards and privacy to about fifty physicians and practice administrators; and
- Washington County Health Systems – staff provided support to the health system in developing a compliance plan for adopting the security regulations.

Staff continues to receive requests from medical and non-medical health care associations for HIPAA related education. A number of associations have asked the staff to provide an overview of the security standards and the recently released national provider identifier regulations later in 2004.

EDI Promotions

Over the last month, an EDI/HIPAA Workgroup sub-committee completed development of the draft *Practice Management System Report Card* and *Payer Internet Resource Guide for Practitioners*. The sub-committee dedicated about fourteen hours to completing these draft resource guides. A review of the draft *Practice Management System Report Card* and *Payer Internet Resource Guide for Practitioners* was conducted at the April 6th EDI/HIPAA Workgroup meeting. The *Practice Management System Report Card* is intended for providers to use in evaluating practice management systems. The *Payer Internet Resource Guide for Practitioners* provides summary and detail information about online features available to providers. MHCC plans to make these guides available to providers in hard copy form and online.

MHCC's Electronic Health Network (EHN) Certification Program

Staff continued to provide consultative support to Trojan Billing Services, a network that plans to submit an application for EHN certification in April. Currently, Trojan Billing Services does not submit claims on a direct basis to Maryland payers. MHCC certification will enable it to expand its product portfolio to physicians and hospitals statewide. HealthFusion also plans to enter the Maryland market around mid-summer. Representatives from HealthFusion have initiated discussion with staff on the certification process.

MHCC completed the self-assessment documentation review of Protologics, a small Maryland-based network. Additional information was requested from Protologics on its disaster recovery plan. Protologics is seeking certification under the Commission's newly established small network certification program. The small network initiative was designed by staff to recognize the needs of small innovative firms that are entering the Maryland market. The Electronic Healthcare Network Accreditation Commission (EHNAC) has supported the MHCC initiative, despite some initial internal opposition from the large networks that dominate the EHNAC. An EHNAC reviewer is tentatively scheduled to complete the Protologics site review in June.

During the past month, staff continued to identify electronic data interchange (EDI) adoption barriers among hospitals and physicians. MAMSI, CareFirst of Maryland, Aetna, and CIGNA made available a listing of provider names and claims volumes of large paper submitters during the fourth quarter of 2003. Staff is using this information to develop the EDI education and awareness programs it plans to implement in June.

Staff distributed EDI/HIPAA information and other MHCC reports at the Chiropractic Winter Conference, the Montgomery County Trade Show, and the quarterly Podiatric Association Conference. Medical and non-medical health care associations frequently invite staff to distribute MHCC information at their association events. Staff is scheduled to participate in two medical association conferences in April. Practitioner spending analyses, EDI adoption materials, and information on the small group insurance market are areas of particular interest at these events.

PERFORMANCE & BENEFITS

Benefits and Analysis

Comprehensive Standard Health Benefit Plan (CSHBP)

At the October 2003 meeting of the Commission, staff presented the analysis and staff recommendations on proposed changes to the CSHBP. The Commission approved the staff recommendations, along with the proposed draft regulations which were published in the *Maryland Register* on December 26, 2003, subject to a comment period which ended on January 27, 2004. No public comments were received. The Commission approved the adoption of the regulations as proposed at the February meeting. All adopted changes to the CSHBP are put into regulations and implemented, effective July 1, 2004.

On January 30, 2004, Commission staff mailed survey material to all carriers participating in the small group market in Maryland to collect their annual financial data. The deadline for carriers to submit these data was April 2nd. All surveys were submitted in a timely fashion. Staff is in the process of analyzing the survey results, including number of lives covered, number of employer groups purchasing the CSHBP, loss ratios, average premiums as they relate to the 10-percent affordability cap, etc. Staff will present these findings to the Commission in the spring.

Commission staff has developed a website to be used as a guide for small business owners in their search for health insurance for their employees. This “Guide to Purchasing Health Insurance for Small Employers” is available on the Commission’s website at: www.mhcc.state.md.us/smgrpmt/index.htm. Commission staff has developed a bookmark describing information available on the small group website. This bookmark has been distributed to various interested parties, such as small business associations, Chambers of Commerce, the Maryland legislature, the Department of Labor, Licensing and Regulation (DLLR), and the Department of Business and Economic Development (DBED). As a result of the initial mailing, many of these organizations have requested additional bookmarks to distribute to their constituents.

Evaluation of Mandated Health Insurance Services

In November 2003, the *Annual Mandated Health Insurance Services Evaluation* (as required under Insurance Article § 15-1501, *Annotated Code of Maryland*) was released for public comment. The Commission’s consulting actuary, Mercer Human Resource Consulting (Mercer), evaluated two stakeholder-requested mandates as to their fiscal, medical and social impact. No public comments were received; however, a subsequent meeting with one of the requesting legislators led to an alternative request for analysis. This subsequent analysis will be produced as an addendum to the current report. At the December 2003 meeting, the Commission approved the current report for release to the legislature. A presentation was made to the Senate Finance Committee on February 4th. The final report also can be found on the Commission’s website.

The 2003 General Assembly passed HB 605, “Evaluation of Mandated Health Insurance Services.” As a result, § 15-1502 of the Insurance Article of the *Code of Maryland* was repealed; therefore, the Commission is no longer responsible for conducting a full review of each existing mandate if the 2.2-percent affordability cap is exceeded. However, § 15-1501 remains in effect, which requires the Commission to assess the fiscal, medical, and social impact of any mandates proposed by the General Assembly along with any other requests submitted by legislators as of July 1. Additionally, HB 605 reestablished § 15-1502, requiring the Commission to evaluate all

existing mandates every four years, in terms of the following: (1) an assessment of the full cost of each existing mandate as a percentage of Maryland's average annual wage, as a percentage of individual premiums, and as a percentage of group premiums; (2) an assessment of the degree to which an existing mandate is covered by self-insured plans; and (3) a comparison of Maryland mandates to those provided in Delaware, the District of Columbia, Pennsylvania, and Virginia based on number of mandates, type of mandate, the level and extent of coverage for each mandate, and the financial impact of differences in level of coverage for each mandate.

A draft of the *Study of Mandated Health Insurance Services: A Comparative Evaluation* (as required under Insurance Article § 15-1502) was released for public comment on November 25, 2003. The Commission received public comments that opposed the elimination of the IVF mandate, which has been noted in the report. At the December 2003 meeting, the Commission requested that Mercer provide further analysis on the comparison of Maryland's mandates to those in other states before the report is approved for release to the legislature. At the January 2004 meeting, the final report was approved by the Commission. Commission staff presented the two Mandated Services reports to the Senate Finance Committee on February 4th. The report also is available on the Commission's website.

Actuarial Services Request for Proposal (RFP)

Commission staff is in the process of preparing an RFP for actuarial consulting services. The current contract with Mercer expires at the end of the fiscal year, June 30, 2004. The RFP will be seeking actuarial services for two years, plus one option year.

Legislative and Special Projects

Uninsured Project

DHMH, in collaboration with the MHCC and the Johns Hopkins School of Public Health, was awarded a \$1.2 million State Planning Grant by the Health Resources and Services Administration (HRSA). HRSA is the federal agency that oversees programs to ensure access to care and improve quality of care for vulnerable populations. The one-year federal grant provides Maryland with substantial resources to examine the state's uninsured population and employer-based insurance market and to develop new models to make comprehensive health insurance coverage fully accessible to all Maryland residents.

Among several activities, the one year grant will enable DHMH and MHCC to conduct further analyses of existing quantitative data sources (Maryland Health Insurance Coverage Survey, MEPS-IC, and CPS), as well as collect additional data that will help us design more effective expansion options for specific target groups. In addition, staff has conducted focus groups with employers in order to better understand the characteristics of firms not currently participating in the state's small group market. For those firms currently participating in the CSHBP, issues were probed relating to costs of coverage and knowledge of the base CSHBP. In an effort to increase the take-up rate in the small group market, marketing materials were presented to the focus groups for review and modification. Shugoll Research was selected as the vendor to conduct these focus groups. The focus groups were completed on Friday, February 14, 2003, with over seventy employers and twenty brokers participating. A report summarizing the findings from the focus groups is available through a link on the Commission's website.

A sixth meeting with the Health Care Coverage Workgroup was held on March 1, 2004. This group, appointed by the former Deputy Secretary for Health Care Financing, is comprised of members who represent the provider, business, health care advocacy, and health care research communities in the state. During the March meeting, staff from the MHCC updated the

Workgroup on current legislation in the Maryland General Assembly that attempts to improve access to health care coverage. In addition, staff from the Johns Hopkins University presented results on modeling the cost and impact of expanding Maryland's medical assistance program. Johns Hopkins' staff also presented results from their analysis on options to expand coverage to young adults. The next meeting with the Workgroup has not been scheduled.

The grant team was awarded a one-year, no cost extension of the project timeline, with an interim report submitted to the Secretary of the Department of Health and Human Services in November of 2003 and the final report due in July 2004. The final report must outline an action plan to continue improving access to insurance coverage in Maryland. A report outlining the options to expand coverage to Maryland's uninsured was delivered to the members of Maryland's General Assembly in February.

Patient Safety

Chapter 318 (HB 1274) of 2001 requires the Commission, in consultation with DHMH, to study the feasibility of developing a system for reducing preventable adverse medical events. A Maryland Patient Safety Coalition was initiated by the Delmarva Foundation and served as the Commission's sounding board for its activities related to patient safety. Three workgroups were formed: one to look at issues related to systems changes to be recommended; one to address current regulatory oversight and reporting requirements; and a third to discuss issues related to a proposed Patient Safety Center.

A preliminary report, approved by the Commission at the December 2001 meeting, was sent to the General Assembly. One of the preliminary recommendations has been enacted by the General Assembly and signed by the Governor. That bill removes the medical review committee statute that applies to all health care practitioners from the BPQA statute, where it is currently codified, and places it in a separate subtitle within the Health Occupations Article to make practitioners more aware of the protections available to them. It also codifies case law to clarify that certain good faith communications designed to lead to remedial action are protected even when they are not made directly to a medical review committee or committee member, but are nevertheless designed to remedy a problem under the jurisdiction of a medical review committee. The final report has been approved by the members of the Commission and was submitted to the members of the Maryland General Assembly in January. Commission staff briefed two Legislative Committees—the House Health and Government Operations Committee and the Senate Education, Health, and Environmental Affairs Committee—on the study. A bill was introduced in the House to grant medical review committee status to the Maryland Patient Safety Center, as designated by the Commission. This bill will grant protections against liability and disclosure of information. It passed out of both Houses and was signed into law by the Governor.

The Maryland Patient Safety Coalition met in January and discussed the status of various activities that the Coalition is undertaking. MHCC staff is working with the Coalition on the development and implementation of several activities. In addition, Rosemary Gibson, author of *Wall of Silence*, spoke to the Coalition about the need for better communication between health care providers and patients and their family members when an adverse event or near miss occurs, and the importance of public support for patient safety. The next Coalition meeting has not been scheduled.

Commission staff has released an RFP to designate the Maryland Patient Safety Center. Staff is currently reviewing those proposals which were received and will select the vendor to receive the designation. Criteria for the award are specified in the RFP and will be the basis for the designation.

2004 Legislative Session

The 2004 Maryland General Assembly session commenced January 14 and adjourns April 12, 2004. MHCC staff has briefed the House Health and Government Operations Committee and the Senate Finance Committee on the Commission reports related to the small group market, mandated benefits, patient safety, the State Health Plan for Facilities and Services: Cardiovascular Services, the Hospice Report, and provider reimbursement (HB 805 of 2002). In addition, staff has reviewed numerous bills, including more than forty bills that directly affect the Commission's activities or are related to the Commission's mission. As of April 8, 2004, the Commission has taken a position, or written letters of information/support/concern, on forty-one bills.

Facility Quality and Performance

Nursing Home Report Card

Chapter 382 (SB 740) of 1999 requires the Commission, in consultation with DHMH and the Department of Aging, to develop a system to comparatively evaluate the quality of care and performance of nursing facilities. The web-based Nursing Home Performance Evaluation Guide is available through the Commission's website. The Guide includes a Deficiency Information page, data from the Minimum Data Set (MDS) and the MHCC Long Term Care Survey, as well as an advanced search capability, allowing consumers to search by facility characteristics and certain services.

In addition to indicators selected by the Maryland Nursing Home Performance Evaluation Guide Steering Committee, the site also includes the quality measures that are reported on the Centers for Medicare and Medicaid Services (CMS) Nursing Home Compare Website. Inclusion of this information on the Maryland site provides consumers with the ability to obtain comprehensive information in one location. The CMS measures were enhanced in January 2004 and are now consistent with the consensus recommendations from the National Quality Forum. The fourteen enhanced quality measures build on the original ten measures and provide additional information to help consumers make informed decisions. The Commission's Web site was updated with the new measures on March 15, 2004.

Evaluation of the Nursing Home Guide: On August 25, 2003, the Commission contracted with the Lewin Group to perform an evaluation of the nursing home performance evaluation guide. The purpose of this procurement is to conduct interviews with consumers and discharge planners to test the Guide in real-time with respondents using computers. The objectives of the study included: (1) evaluating consumer/professional usage, preferences, and understanding of the Guide; (2) determining ease in navigating through the website; (3) developing recommendations to improve the Guide; and (4) recommending outreach strategies to increase the utilization of the Guide.

All interviews were completed in January 2004 and a draft report was presented to the Nursing Home Performance Evaluation Guide Steering Committee for review and comment. The Lewin Group is now in the process of incorporating all comments and finalizing the report for presentation to the Commissioners during the April 15, 2004 meeting.

Nursing Home Patient Satisfaction Survey: The Commission also contracted for the development of a nursing home patient satisfaction survey or the recommendation of an existing tool that provides information for consumers that can be integrated into the Maryland Nursing Home Performance Evaluation Guide by: (a) reviewing and summarizing existing nursing home

satisfaction surveys and implementation processes developed by the federal government, state agencies, other public organizations and private entities or organizations; (b) discussing the cost of administration for each approach; (c) identifying the strengths and weaknesses of the various approaches and indicating whether a similar approach is feasible in Maryland; (d) designing or modifying a survey tool; and (e) proposing a plan for administering the tool including estimated implementation costs and timelines.

A report that included a review of the literature and interviews with various states was presented to the Nursing Home Report Card Steering Committee during their January 2004 meeting for review and comment. The report provides draft recommendations that should guide the selection of a tool for the state. Given the length of the report and the importance of the recommendations, Steering Committee members were provided with additional time to review and comment on the document and they were encouraged to share the report with the members of their various organizations. Very few additional comments were received.

The Nursing Home Performance Evaluation Guide Steering Committee met on March 26, 2004 and recommended that we proceed with the self-administered family satisfaction survey as soon as possible. An RFP to administer the survey will be drafted to select a survey administrator. The Steering Committee also agreed, in concept, to implement the interviewer-based resident satisfaction survey and to work with the federal Agency for Healthcare Research and Quality (AHRQ) to determine the possibility of piloting the Nursing CAHPS tool. Staff will present the plan to nursing homes during a presentation at the LifeSpan annual meeting in May 2004.

Nursing Home Patient Safety: The Steering Committee began discussion of nursing home patient safety measures that are appropriate for public reporting. The Committee was presented with an overview of the literature and activities in other states as well as a list of ten common patient safety measures. The Steering Committee agreed that MHCC should begin with reporting health care acquired infections and staffing as two indicators of safety.

Hospital Report Card

Chapter 657 (HB 705) of 1999 requires the Commission to develop a performance report on hospitals. The required progress report was forwarded to the General Assembly. The Commission also contracted with the Delmarva Foundation, in partnership with Abt Associates, to: (1) analyze hospital data to develop appropriate indicators for inclusion in the Hospital Performance Evaluation Guide, and (2) design and execute a consumer-oriented website for the Guide. The initial version of the Hospital Performance Evaluation Guide was unveiled on January 31, 2002.

A second edition of the Hospital Guide was released during a press conference held on May 16, 2003. The revised Guide included quality of care information specific to the treatment and prevention of congestive heart failure and community acquired pneumonia including individual hospital rates, the state average, and the highest rate achieved by a hospital for each of the measures. The first sets of conditions were selected from the Joint Commission on Accreditation of Healthcare Organization's (JCAHO's) ORYX initiative, which collects quality of care information from hospitals in a method designed to permit rigorous comparisons using standardized evidence-based measures.

The Hospital Guide continues to feature structural (descriptive) information and the frequency, risk-adjusted length-of-stay, and risk-adjusted readmissions rates for thirty-three high volume hospital procedures. DRG data were updated to include admissions occurring between December 1, 2001 and November 30, 2002 and was posted on the Website in November 2003.

New Core Measures: The MHCC Commissioners approved the release of a call for public comments regarding the Commission's intent to collect JCAHO's acute myocardial infarction (AMI) measures and to investigate obstetrical measures that may be suitable for public reporting. Public comments were received from July 1, 2003 through July 11, 2003. There were no comments submitted that precluded proceeding with the collection of the measures; therefore, hospitals were instructed to begin collection of AMI data effective October 1, 2003. The new measures will be publicly reported in the fall of 2004.

Obstetrics Measures: The Commission also convened an Obstetrics Workgroup to examine potential structure, process, and outcome measures that are appropriate for public reporting via the Hospital Guide. The workgroup has met three times through February 29, 2004. The initial set of forty-two recommended elements was forwarded to the Hospital Performance Evaluation Guide Steering Committee and they were approved. The Commission's contractor, Delmarva Foundation, subsequently extracted the data for each of the elements using the HSCRC data base. The obstetrical data, along with an obstetrical services survey, was sent to each hospital for review. Several Web pages were then developed to display the data and the pages were presented to the Commissioners on March 19, 2004.

A press conference has been scheduled for May 13, 2004 at 11:00 am to roll out the revised Guide. MHCC and HSCRC Commissioners, representatives from the Governor's office, legislators, providers, and consumers have been invited to the press conference.

Patient Safety Public Reporting Workgroup: The first meeting of the Patient Safety Public Reporting Workgroup was held on February 13, 2004. The purpose of this workgroup will be to examine potential patient safety measures that are appropriate for public reporting via the Maryland Hospital Performance Evaluation Guide. During the first meeting, the workgroup was provided with a brief overview of the current Guide and a presentation on measures that are available, or publicly reported, by other states and organizations.

The workgroup met again on March 26, 2004 to consider specific patient safety measures. They agreed to report the LeapFrog measures that are related to the availability of intensivists in the Intensive Care Unit (ICU) and computerized physician order entry systems. They also agreed to report as many of the AHRQ patient safety indicators as possible that can be supported by valid Maryland data. Staff will work with the HSCRC, AHRQ, and others to produce data reports for committee review. Lastly, the workgroup recommended that the JCAHO patient safety measures be reported when they become available by either linking to the JCAHO report or adding the data to the Maryland Guide directly.

Evaluation of the Hospital Guide: On August 25, 2003, the Commission contracted with the Lewin Group to perform an evaluation of the hospital performance guide. The purpose of this procurement was to conduct interviews with consumers, primary care physicians, and emergency department physicians to test the Guide in real-time with respondents using computers. The objectives of the study included: (1) evaluating consumer/professional usage, preferences, and understanding of the Guide; (2) determining ease in navigating through the website; (3) developing recommendations to improve the Guide; and (4) recommending outreach strategies to increase the utilization of the Guide.

All interviews were completed in January 2004 and a draft report was presented to the Hospital Performance Evaluation Guide Steering Committee for review and comment. The Lewin Group is now in the process of incorporating all comments and finalizing the report for presentation to the Commissioners during the April 15, 2004 meeting.

CMS Pilot Project: The Delmarva Foundation was awarded the ‘lead state’ status to head a three-state hospital public reporting pilot project initiated by CMS. The Hospital Report Card Steering Committee serves as the steering committee for the pilot. The Committee serves as the primary vehicle for obtaining input and consensus prior to initiating the state-specific activities.

As a part of the pilot, hospitals from the three states participated in a patient satisfaction survey. Information from this survey is confidential. The draft survey was developed by the AHRQ and draws upon seven surveys submitted by vendors, a review of the literature, and earlier CAHPS work. The pilot project began with a public call for measures in October 2002. The actual survey process began the first week of June 2003 and concluded in August 2003. The survey data were analyzed in December 2003. The final instrument was released by CMS for review and public comment through February 2004.

The Maryland Performance Evaluation Guide Steering Committee received a briefing on the pilot results during its January 27, 2004 meeting and agreed that Maryland should pursue the use of the tool to collect patient satisfaction data for the *Maryland Hospital Performance Evaluation Guide*. MHCC staff then met with representatives of CMS and AHRQ to discuss an additional pilot study of the tool that will take place this summer. A proposal with a complete study design was submitted to AHRQ on April 6, 2004 to request permission to use the HCAHPS tool.

Hospital Meeting: The Maryland Hospital Association is sponsoring a meeting for all hospitals on April 30, 2004 at the BWI Marriott. MHCC staff will present an overview of the new obstetrics section of Web site, proposed patient satisfaction pilot, status of AMI measures and other quality measures, and the patient safety center. A representative from the American Hospital Association will also be present to provide an overview of the national voluntary hospital quality initiative.

Other Activities: The Facility Quality and Performance Division is also participating in the planning process for a new HSCRC Quality Initiative designed to evaluate and recommend a system to provide hospitals with rewards and/or incentives for high quality care. Staff attends the HSCRC Quality Initiative Steering Committee meetings on an ongoing basis. The draft report of the HSCRC Steering Committee was also presented to the Hospital Performance Evaluation Guide Steering Committee on January 27, 2004 for review and comment. HSCRC is in the process of selecting members to serve on various workgroups. MHCC staff has been involved with the selection process.

Ambulatory Surgery Facility Report Card

Chapter 657 (HB 705) of 1999 also requires the Commission to develop a performance report for Ambulatory Surgery Facilities (ASF). The Commission developed a web-based report that was also released on May 16, 2003. The 2002 data are now available and were added to the site in January 2004.

The website contains structural (descriptive) facility information including the jurisdiction, accreditation status, and the number and type of procedures performed in the past year. The site will also include several consumer resources.

An ASF Steering Committee was convened to guide the development of the report and will consist of representatives from a multi-specialty facility, a large single specialty facility, an office based facility, a hospital based facility, and a consumer representative. An exploratory meeting was held with a subset of this group in January 2003. Subsequently, the Steering Committee

provided input on several of the proposed web pages including a consumer checklist, glossary, and list of resources.

HMO Quality and Performance

Distribution of Publications

Distribution of HMO Publications

Distribution of 2003 HMO Publications

Cumulative distribution: Publications released 9/29/03	9/29/03- 3/31/04	
	Paper	Electronic Web
Measuring the Quality of Maryland HMOs and POS Plans: 2003 Consumer Guide (25,000 printed)	16,457	Interactive version Visitor sessions = 1,794
		PDF version Visitor sessions = 1,901
2003 Comprehensive Performance Report: Commercial HMOs & Their POS Plans in Maryland (700 printed)	448	Visitor sessions = 1,002
Measuring the Quality of Maryland HMOs and POS Plans: 2003 State Employee Guide— 60,000 printed and distributed during open enrollment		

**7th Annual Policy Report (2003 Report Series) –
Released January 2004; distribution continues until January 2005**

Maryland Commercial HMOs & POS Plans: Policy Issues (1,000 printed)	629	Visitor Sessions = 226
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HMO publications were provided to local chapters of Med Chi, small businesses, and individual consumers. Washington County Health Department made a follow-up request to the January mailing to obtain additional copies. This month, staff will contact several large businesses that have open enrollment in June and for which the Commission has provided large numbers of HMO Consumer Guides in prior years.

Performance Evaluation Bookmarks were completed and delivered to the Commission last month. The updated bookmark reflects the many changes that have occurred since designing the original give-away piece. Staff has begun to contact various outlets that use these to inform their constituents about the availability of MHCC's performance reports. More than twenty thousand have been distributed to date.

2004 Performance Reporting: HEDIS Audit and CAHPS Survey

HEDIS Audit Activities

In March, HealthcareData.com (HDC), the audit contractor, completed site visits to five of the seven plans whose performance data will form the basis of the 2004 HMO report series. Division staff members were onsite for the audits of Aetna, BlueChoice, M.D. IPA, and Optimum Choice. Staff continued throughout the month with auxiliary audit activities to prepare for plan and auditor oversight. The extensive documentation provided to allow desk review of a plan's systems varied in its completeness and quality of information. Staff will prepare an assessment of the deficiencies noted during this phase of the audit process and develop recommendations for plans and the audit contractor to use in 2005. Finally, content identified in the document has been selected for possible use in the Consumer Guide.

HDC finalized measurement set selection, which is an extract of measures across domains that receive intensive review, as specified by NCQA. Commentary from MHCC was used in this selection process.

Consumer Assessment of Health Plan Study (CAHPS Survey)

The mail portion of survey administration was completed in March. This contact method included four separate mailings to members in the seven samples. The next phase of the mixed mode administration begins in April with telephone contact made to non-respondents. A total of six attempts will be made to sample members.

Report Development—2004 Report Series

HMO Quality & Performance staff has begun developing several ideas for inclusion in the upcoming report series. Rough drafts to show layout and to demonstrate concepts have been created. Further exploration of themes, layout, and design will happen through April. Staff will use the tools developed to facilitate the planning meeting with the report development contractor, NCQA.

Other Activities

During March, an application was submitted to the Library of Congress to copyright each of the 2003 HMO publications, as has been MHCC's practice for the HMO publications. Staff attended several conferences on managed care and a seminar on bone and joint diseases.

HEALTH RESOURCES

Certificate of Need

During March 2004, Staff issued determinations of non-coverage by Certificate of Need (CON) review to Snow Hill Nursing and Rehabilitation Center in Wicomico County for the corporate restructuring of the facility's ownership; to Omni Nurse Associates (which was authorized to provide pediatric and postpartum home care in Baltimore City, and Anne Arundel, Baltimore, Harford, and Montgomery Counties) for its acquisition by BT Healthcare Services; to William Hill Manor in Talbot County for the acquisition of its 116-bed nursing home and CCRC by Episcopal Ministries to the Aging, Inc.,

A determination of non-coverage by CON review was also issued to Collington Episcopal Life Care Community, for renovations to the comprehensive care wing of the life care community below the capital expenditure threshold.

Further, staff issued determinations of non-coverage by CON review for the relicensure of previously temporarily delicensed beds to The Pines in Talbot County (11 of 25 temporarily delicensed beds); to the College View Center in Frederick County (seven beds); to the Layhill Center in Montgomery County (six beds); to Corsica Hills of Queen Anne's County (five of twelve beds); to Villa St. Michael Nursing and Rehabilitation Center of Baltimore City (11 of 75 beds); and to FutureCare Cherrywood in Baltimore County (seven of 13 beds).

Staff also issued determinations of non-coverage to Springbrook Nursing and Rehabilitation Center in Montgomery County for the temporary delicensure of four comprehensive care facility (CCF) beds; to the Citizens Nursing Home of Frederick (Frederick County) for the temporary delicensure of 20 CCF beds at the facility; to the following Baltimore City applicants: the Hamilton Center for the temporary delicensure of five CCF beds; Ravenwood Nursing and Rehabilitation Center for the temporary delicensure of 45 CCF beds; and Rock Glen Nursing and Rehabilitation Center for the temporary delicensure of 10 CCF beds.

Further, Staff issued a determination of non-coverage to Potomac Ridge Behavioral Health of Montgomery County for the reallocation of special psychiatric hospital beds at the facility between existing adult and adolescent service categories.

Staff notified Glasgow Nursing Home in Dorchester County that its right to operate its last remaining 20 temporarily delicensed CCF beds was considered abandoned and the facility is considered permanently closed.

In addition, Staff issued two determinations of non-coverage involving surgery centers: to Lutherville Endoscopy Center, LLC in Baltimore County to establish an ambulatory care facility with two non-sterile procedure rooms in Lutherville, Maryland; and to Court Endoscopy Center of Frederick, to establish an ambulatory care facility with two non-sterile procedure rooms.

Acute and Ambulatory Care Services

Pursuant to the approval of the modification to Holy Cross Hospital's Certificate of Need at its March 19, 2004 meeting, the Commission required that Holy Cross Hospital submit monthly reports to the Commission on the status of the construction project. The purpose of the reports is to advise the Commission about any potential changes to the terms of the modified CON, including changes in physical plant design, construction schedule, capital costs, and financing mechanisms. The hospital staff and the Commission staff have agreed on a format and schedule for this monthly report. Their reports will be submitted to the Commission by the fifth day of each month, or the following Monday if the fifth day falls on a weekend. The first report has been received, and indicates one minor change to the project—the schedule for minor renovations to the 2nd, 6th, 7th and 8th floors will be completed later in the project than originally planned. The construction completion date has not changed, and this change does not affect the performance requirements.

Supplement 4 to COMAR 10.24.10, the State Health Plan for Facilities and Services for Acute Inpatient Services, was approved for final action by the Commission at its March 19, 2004 meeting. Specifically, changes were approved to the acute care bed need projections, to the methodology underlying those projections, and to policies related to approval of capital projects proposing increases in acute care beds pursuant to the bed need projections. No changes were made in response to public comments received during the 30 day formal public comment period which ended on February 24, 2004. The effective date of the regulation is April 12, 2004.

Long Term Care and Mental Health Services

The Nursing Home section of the State Health Plan for Facilities and Services (COMAR 10.24.08) has included, for many years, a requirement that nursing homes approved under the Certificate of Need program agree to serve a proportion of Medicaid residents that is at least equal to the jurisdictional or regional level of participation, whichever is lower. This regulation has been successful in helping to assure access to nursing home beds by persons on Medicaid. The standard requires the Commission to annually update the Total Patient Days paid for by the Maryland Medicaid program. These figures, based on FY 2002 data, will be published in the April 16th issue of the *Maryland Register*.

In May 2003, the Commission released the report entitled, *2001 Report on Maryland Nursing Home Occupancy Rates and Nursing Home Utilization by Payment Source*. Staff continues to work on the update of this report, using FY 2002 data.

The Commission is in the process of collecting data from all Maryland hospice programs via an online survey. Most hospice programs are due to submit their data by mid-April. A reminder letter was sent to all hospices to alert them of the upcoming deadline.

Under its contract with Myers and Stauffer, staff continues to seek more complete minimum data set (MDS) data from Maryland nursing homes. Many nursing homes do not submit complete "face sheet" information. Such information provides demographic data as well as area of residence. This is a critical variable for projecting nursing home bed need by jurisdiction. The completion of missing data is especially important in rural areas where there are few nursing homes.

In response to a legislative request, the Commission supplied data on payment source for hospice clients in Maryland. This is aggregate data that addresses the proportional coverage by Medicare and Medicaid.

Specialized Health Care Services

On March 19, 2004, the Commission published the Special Document titled Adult Open Heart Surgery Cases, Projected Utilization of Adult Open Heart Surgery Procedures, and Consideration of Need for a New Cardiac Surgery Program by Regional Service Area in the *Maryland Register*. The publication contained an error in printing the base year population of the 65+ age group in Western Maryland. The Commission has requested a correction to be published in the April 16th issue of the *Maryland Register*.

The Work Group on Rehabilitation Data met on March 25th to review and discuss the discharge abstract data for the third quarter of calendar year 2003, and a draft statistical brief on acute inpatient rehabilitation services. The Work Group will hold its next meeting at 1:00 p.m. on June 24th in Room 100 at 4160 Patterson Avenue, Baltimore, Maryland 21215.

Staff is actively following up on the Commission's quarterly survey of bone marrow and stem cell transplant programs in Maryland, the District of Columbia, and Northern Virginia to obtain data from the bone marrow transplant program at George Washington University Hospital for calendar year 2003. The survey data are used to examine policy options for the State Health Plan for Facilities and Services chapter on Organ Transplant Services, and to monitor the utilization of services.

The Department of Health and Mental Hygiene has begun a process to update the Maryland Perinatal System Standards. Members of the Commission's staff have joined the Department's Perinatal Clinical Advisory Committee in this important endeavor. The Commission adopted the standards, which were last revised in January 1998, in its State Health Plan for Facilities and Services: Acute Hospital Inpatient Obstetric Services (COMAR 10.24.12) and State Health Plan for Facilities and Services: Neonatal Intensive Care Services (COMAR 10.24.18).